Sacramento Natural Gas Storage Project



California Public Utilities Commission

Draft EIR Public Meeting

April 28, 2009

Introduction and Welcome

Meeting Agenda

- Welcome and Introductions
- CPUC Process and Schedule
- Environmental Impact Report Process
- Description of Proposed Project
- Draft EIR Conclusions
- Questions on Project Understanding
- Closing Comments
- Public Participation Hearing (begins at 7:00 p.m.)





Purpose of a Draft EIR

- Provide decision makers and the general public with information about the impacts of the Proposed Project.
- Identify mitigation measures and alternatives to the Proposed Project.
- Seek public comment regarding the Draft EIR.
- Identify issues of concern and areas of potential controversy.



Certificate of Public Convenience and Necessity (CPCN)

- General Proceeding
 - Assigned Commissioner Timothy Alan Simon and Administrative Law Judge Richard Smith
- Scope (defined by Public Utilities Code Section 1002)
 - Determine need for the project (facilities are necessary to promote the safety, health, comfort, and convenience of the public)
 - Consider community values, recreational and park area, historic and aesthetic values
 - Review environmental impacts as required by CEQA



Key Players and Their Roles in the CEQA Process

- California Public Utilities Commission (CPUC): Lead Agency under the California Environmental Quality Act (CEQA)
- Sacramento Natural Gas Storage (SNGS), LLC: Applicant
- Dudek: Environmental Contractor for CPUC
- Responsible Agencies

CPUC Review Process

- The CPUC has two parallel review processes for SNGS, LLC's Application for a Certificate of Public Convenience and Necessity (CPCN):
 - General Proceeding (Application # 07-04-013)
 - Environmental Review (the CEQA process)





Environmental Review Process

- As lead agency for the Sacramento Natural Gas Storage Project EIR, CPUC is mandated to fulfill the following requirements under CEQA guidelines:
 - Disclose significant environmental effects and means to reduce, avoid, and minimize those impacts
 - Present discussion of alternatives
 - Provide a public forum to discuss project planning and decision-making process
 - Ensure that decision makers have a solid basis for making a sound decision



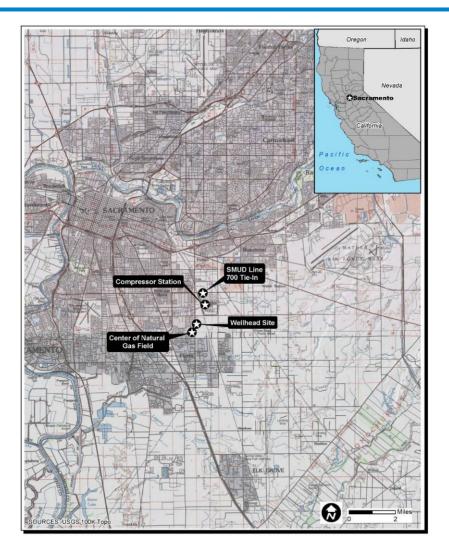


Where is the Proposed Project?

- The components to be evaluated in the Sacramento Natural Gas Storage Project EIR would be located in:
 - City of Sacramento
 - County of Sacramento



Regional Map





Project Objectives

- Provide strategically located gas storage in California
- Provide a secure and reliable gas supply in the Sacramento area in the event of a major disruption of service from the main gas supply line
- Satisfy Sacramento Municipal Utility District's (SMUD's) natural gas storage needs to provide fuel supply for electrical generating plants (4.0 billion cubic feet (bcf) equals an approximately 30-day supply)





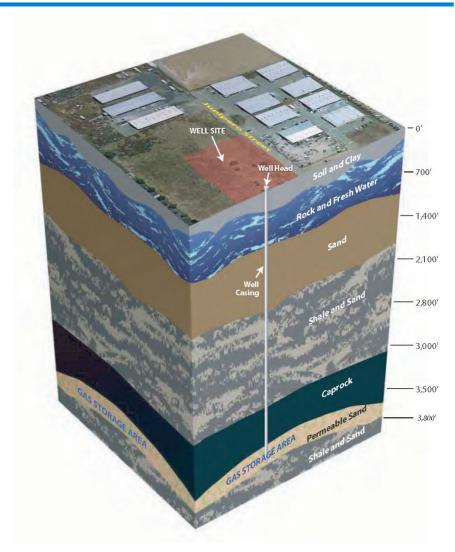
What is the Proposed Project?

Natural Gas Storage Facility

•Underground natural gas storage reservoir centered under Power Inn Road and Wagon Trail Way in the City of Sacramento

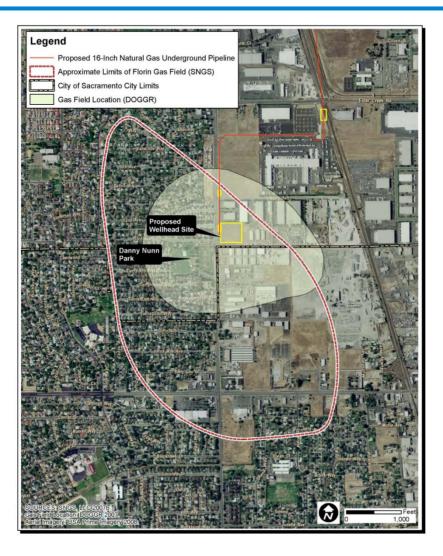
Wellhead site

- •Four-acre site at the northeast corner of Junipero Street and Power Inn Road
- Up to six injection/withdrawal wells





Approximate Extent of Florin Gas Field







What is the Proposed Project? (cont.)

Natural Gas Transmission

- Compressor station on approximately 5 acres in Depot Park in the City of Sacramento
- 16-inch interconnection pipeline between the wellhead and compressor station sites
- 16-inch interconnection pipeline between the compressor station site and the SMUD Line 700 in Fruitridge Road.



Facilities Map





Construction Schedule

- Construction duration varies by component:
 - Wellhead: three months
 - Compressor station: six to eight months
 - Pipelines: three months



Environmental Issue Areas

- Air Quality
- Biological Resources
- **■**Cultural Resources
- Geology and Soils
- Hazards and Public Safety
- Hydrology and Water Quality

- Land Use and Planning,Agriculture and Recreation
- Noise and Vibration
- Population and Housing
- Public Services and Utilities
- Transportation and Traffic
- Visual Resources



Significant Unavoidable Impacts

- Potential fire and explosion from gas pipelines
- Potential migration of gas from underground reservoir
- Potential migration of gas into groundwater aquifer
- Short-term noise impacts associated with drilling of wells at wellhead site



Alternatives

- No project
- Alternative gas field sites
- Alternative pipeline design alignments

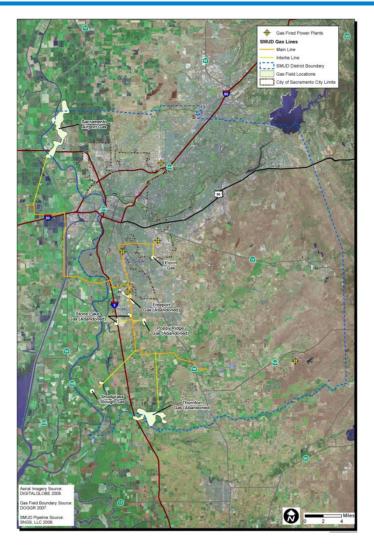


Alternative Natural Gas Fields

- Freeport Gas Field Alternative
- Snodgrass Slough Gas Field Alternative
- Thornton Gas Field Alternative



Alternative Natural Gas Field Locations





Pipeline Alignment Design Alternatives

Route Variations

- Alternative Route 1 would parallel Junipero Street, cross an industrial-use yard, and parallel the Union Pacific Railroad (UPRR) tracks northwest to Elder Creek Road.
- Alternative Route 2 would run within the utility alignment to Berry Avenue, then parallel the UPRR tracks northwest to Elder Creek Road.
- Alternative Route 3 would run within an existing utility alignment then along Power Inn Road to Elder Creek Road to the UPRR tracks.





Schedule

General Proceeding

- Application filed by SNGS, LLCApril 9, 2007
- First pre-hearing conferenceOctober 20 & 21, 2008
- Public participation hearingApril 28, 2009
- *ALJ Decision
 - •180 days after certification of EIR

Environmental Review

- SNGS Proponent's Environmental Assessment
 - •Filed April 9, 2007
 - •Amended October 9, 2007, and September 12, 2008
- Notice of Preparation for EIR
 - •November 16, 2007
- Public Scoping
 - •November 16 December 17, 2007
- ■Draft EIR: April 8, 2009
 - •45-day comment period ends May 25, 2009
 - •Public meeting on April 28, 2009
- •Final EIR/Response to Comments
- **EIR Certified by CPUC**
 - September 2009



After EIR Completion

- Commission vote on proposed decision tentatively September 2009
- EIR is referenced in the decision
- If the project or an alternative is approved, the decision will require monitoring of adopted mitigation measures and definition of mitigation monitoring procedures



Comments on Draft EIR

Please send comments to:

Michael Rosauer

California Public Utilities Commission
c/o Dudek
605 Third Street
Encinitas, California 92024

Please be sure to include your name, address, and phone number on all comments.



For More Information

Check our Internet website:

http://www.cpuc.ca.gov/environment/info/dudek/sngs/SNGS_Home.htm

Information Repositories - three area libraries have copies of the Draft EIR:

City of Sacramento
Public Library
828 I Street
Sacramento, CA 95814

Southgate Public Library 6132 66th Avenue Sacramento. CA 95823 Colonial Heights Library 4799 Stockton Boulevard Sacramento, CA 95820

